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CONFIDENTIAL FM CAIRO TO DESKBY 040800Z FCO **TEL NO 694** OF 031700Z OCTOBER 85 ANFO ROUTINE AMMAN, DAMASCUS, PARIS, RIYADH, TEL AVIV, TUNIS, UKMIS NEW YORK, WASHINGTON

MY TELNOS 685 AND 691 (NOT TO PARIS): EGYPT/ISRAEL

SUMMARY

1. PRESIDENT MUBARAK AND THE EGYPTIAN FOREIGN MINISTER DESCUSS THE CONSEQUENCES OF THE ISRAELS ATTACK ON THE PLO HEADQUARTERS BOTH FOR EGYPT'S BILATERAL RELATIONS WITH ASRAEL AND FOR THE PEACE PROCESS, WHICH THEY SEEM DETERMINED TO PURSUE IN SPATE OF THE GREAT DIFFICULTIES WHICH THE ISRAEL ATTACK HAS CAUSED FOR EGYPT.

DETAIL

- 2. AT SEPARATE MEETINGS WITH THE DUKE OF GLOUCESTER AND DR DAVID OWEN THIS MORNING, PRESIDENT MUBARAK STRONGLY CONDEMNED BOTH THE IISRAELI ACTION IN ATTACKING THE PLO HEADQUARTERS IN TUNIS AND THE US PRESIDENT'S PUBLIC REACTION TO IT.
- 3. MUBARAK TOLD OWEN THAT HE HAD JUST SENT A MESSAGE TO REAGAN, RECALLING THAT ONLY A FEW DAYS PREVIOUSLY REAGAN HAD EMPHASISED TO HIM IN WASHINGTON THE IMPORTANCE THE AMERICANS ATTACHED TO PUBLIC CONDEMNATIONS OF TERRORISM: YET NOW HE HIMSELF WAS PUBLICLY CONDONING AN ACT OF TERRORISM. THE THINING OF THE ISRAEL RAID HAD IN MUBARAK'S VIEW BEEN PARTICULARLY UNFORTUNATE, WHILE BOTH KING HUSSEAN AND THE ASRAELA FOREAGN MINISTER WERE AN THE UNITED STATES. MUBARAK ALSO EXPRESSED PUZZLEMENT OVER ISRAEL MOTIVES: THEY SHOULD BE USING ARAFAT RATHER THAN JOINING WITH THE SYRIANS IN TRYING TO EXTERMINATE HIM. OWEN SAID HE FULLY AGREED WITH THE PUBLIC POSITION EGYPT HAD TAKEN UP ON THE RAID, BOTH AN CONDEMNING ACTS OF TERRORISM AND AT THE SAME TIME TRYING TO KEEP THE PEACE PROCESS ALIVE. FAR FROM TRYING TO KILL ARAFAT, THE ASRAELA LEADERS HAD TOLD HIM THAT

TO KILL ARAFAT, THE ISRAELI LEADERS HAD TOLD HIM THAT THEY DELIBERATELY TIMED THE RAID TO AVOID DOING SO.

DIEN ATTACHED PARTICULAR SIGNIFICANCE TO WEIZMANN'S DISSOCIATION FROM THE ISRAELI ATTACK AND SUGGESTED THAT ONE POSSIBLE BENEFICIAL EFFECT MIGHT BE TO RAISE THE MIDDLE EAST ISSUE FROM SOMEWHERE NEAR THE BOTTOM TO SECOND PLACE ON THE REAGAN/GORBACHEV AGENDA WHEN THEY MET NEXT MONTH.

4. MUBARAK SEEMED INCLINED TO AGREE THAT THE EFFECT OF THE ISRAEL ATTACK MIGHT BE TO PERSUADE THE AMERICANS TO TAKE THE MIDDLE EAST SATUATION MORE SERIOUSLY, BUT HE STRESSED HOW GRAVE AN EMBARRASSMENT THE ATTACK WAS FOR EGYPT'S BILATERAL RELATIONS WITH ISRAEL. HE COULD NO LONGER BE SEEN TO BE EXCHANGING MESSAGES WITH PERES AND HE SEEMED TO ENVISAGE THAT THE TALKS ON TABA WOULD NOW HAVE TO BE SUSPENDED FOR SOME TIME, PROBABLY UNTIL THE NEW YEAR. ANOTHER QUESTION TO WHICH HE SAID HE MUST ADDRESS HIMSELF IMMEDIATELY WAS ISRAELI PARTICIPATION IN THE CAIRO BOOK FAIR, ON WHICH A DECISION WAS NEEDED NOW EVEN THOUGH THE EVENT WAS SOME THME AHEAD INT OPENS ON 20 JANUARY): HE THOUGHT IT WOULD BE QUITE IMPOSSIBLE TO AGREE TO AN ASRAEL PRESENCE AT THE FAIR AN CURRENT CHRCUMSTANCES, AS THES WOULD BE BOUND TO PROVOKE HOST-LE DEMONSTRATIONS.

5. IN LOOKING TO HOW THE MOMENTUM OF THE PEACE PROCESS COULD BE MAINTAINED IN SPITE OF THE ISRAELI RAID, MUBARAK RECALLED HAVING TOLD REAGAN IN WASHINGTON THAT IT WAS A MISTAKE TO TRY TO EXCLUDE THE RUSSIANS FROM AN INTERNATIONAL CONFERENCE: HE HAD ASKED THE US PRESIDENT WHY THE AMERICANS WERE SO AFRAID OF A SOVIET PRESENCE AS, EVEN IF THE RUSSIANS WERE TO ACCEPT AN INVITATION TO A CONFERENCE, THE MODERATES WOULD BE IN THE MAJORITY AND ANY DIFFICULTIES RAISED BY THE RUSSMANS OR EVEN THE SYMMANS COULD BE DEALT WATH. OWEN SAND HE BELIEVED PERES WAS MORE RELAXED THAN ANY OTHER ASRAELA LEADER ABOUT POSSABLE SOVIET ANVOLVEMENT, ESPECIALLY IF HE SUCCEEDED IN OBTAINING SOVIET DIPLOMATIC RECOGNITION OF ASRAEL IN ADVANCE. OF THE RUSSIANS WOULD GIVE HIM THIS (AND OWEN SAID HE HAD REASON TO BELIEVE THAT GORBACHEV HAD NOT RULED IT OUT), ILT MIGHT HAVE THE EFFECT OF WINNING ENOUGH SUPPORT FOR THE PEACE PROCESS WITHIN ISRAEL TO ENABLE PERES TO PURSUE AT. PERES' INTERNAL POSITION HAD IN ANY CASE BEEN STRENGTHENED BY THE RAID. MUBARAK COMMENT THAT, DURING HIS RECENT VISIT TO PARIS, MATTERRAND HAD UNDERTAKEN TO SPEAK STRONGLY TO GORBACHEV ON THE MIDDLE EAST PROBLEM.

^{6.} THE EGYPTIAN FOREIGN MINISTER, WHOM DR OWEN SAW LATER IN THE MORNING, SAID THAT HE HAD JUST COME FROM THE PEOPLE'S ASSEMBLY WHERE HE HAD BEEN PRESSED VERY HARD BY THE OPPOSITION FOR A COMPLETE BREAK IN RELATIONS WITH ISRAEL. ABOUL MAGID RECALLED THAT, AT HIS MEETING WITH SHULTZ IN WASHINGTON ON 23 SEPTEMBER, SHULTZ HAD ENQUIRED BY WHAT MECHANISM THE EGYPTIANS ENVISAGED THAT AN INTERNATIONAL CONFERENCE ON THE MIDDLE EAST MIGHT BE CALLED. ABOUL MAGID HAD SUGGESTED TO SHULTZ THAT THE MOST APPROPRIATE MEANS OF DOING THIS MIGHT BE UNDER ARTICLE 99 OF THE UN CHARTER. ABOUL MAGID SAID HE HAD THEREF BE BEEN ENCOURAGED WHEN SHULTZ, DURING HIS SPEECH TO THE SECURITY COUNCIL ON 26 SEPTEMBER, HAD REFERRED TO THE USE OF THE SECRETARY-GENERAL'S POWERS UNDER ARTICLE 99. CHARTER ACT. HE VERY MUCH HOPED THAT

POWERS UNDER ARTICLE 99. CHARTER ACT. HE VERY MUCH HOPED THAT AMERICAN THINKING MIGHT EVEN FURTHER IN THIS DIRECTION. HE AND MUBARAK HAD PUT THIS PROPOSAL TO THE FRENCH PRESIDENT AND FOREIGN MINISTER DURING THEIR SUBSEQUENT VISIT TO PARITS.

7. A FULLER ACCOUNT OF THESE DISCUSSIONS FOLLOWS BY BAG.

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